

AETNA LIFE INSURANCE COMPANY
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The nature and amount of transactions between the insurer and its affiliates for year 2010 is set forth below.

I. Financial and Solvency Requirements Documentation for Part D standalone Medicare prescription drug (PDP) Contracts:

H. 1-4. The numbered items below are transactions between Aetna Life Insurance Company (the "Company", also the Part D sponsor with a PDP contract with the Centers for Medicare and Medicaid Services (CMS)) and parties in interest (i.e., entities sharing a common parent with the Company) during the iscal year. These transactions are reported by the Company on its statutory financial statement filed with its domiciliary insurance regulator and include transactions that do not fall under the definition of "significant business transaction" in accordance with 42 C.F.R. Section 423.501 of the Medicare Advantage regulation. The Company chooses to disclose all transactions with parties in interest in order to be consistent with its statutory filings with its domiciliary regulator. The costs incurred relating to the transactions between the Company and the parties in interest are all recorded at cost or at fair market value. The Company believes these costs do not exceed the costs that would be incurred if these transactions were with someone who is not a party in interest.

1. Effective October 16, 1978, the Company entered into a service agreement with Aetna Life & Casualty (Bermuda) Ltd., which provides that the Company will perform services and administrative duties under Aetna Life & Casualty (Bermuda) Ltd., Group Insurance and Pension Contracts. The agreement and an Amendment to Service Agreement dated as of June 20, 2002, with an effective date as of August 1, 1978, were approved by letter dated May 10, 2002 from the Connecticut Insurance Department. A Third Amendment to Service Agreement, with an effective date of June 1, 2008, was approved by the Connecticut Insurance Department on June 17, 2008. Under this agreement, the expenses incurred were \$9,057,650 and \$16,088,644 for the years 2010 and 2009, respectively.
2. Effective October 7, 2005, the Company entered into an Amended and Restated Administrative Services Agreement (the "A&R Agreement") with AHM, which replaces the Administrative Services Agreement (the "ASA") entered into between the Company and AHM dated as of January 1, 2004. The ASA replaced the Utilization and Network Management Services Agreement and any other agreements to which the Company and AHM were the only parties. The A&R Agreement was approved by the Connecticut Insurance Department on October 7, 2005. Effective August 1, 2008, the A&R Agreement was amended and the amendment was approved by the Connecticut Insurance Department on August 13, 2008. Under the A&R Agreement, as under the ASA, AHM will provide the Company with administrative services and resources (including pharmacy rebate management services) and the Company will in return also provide AHM with administrative services and resources (including patient management and quality management services). For the years 2010 and 2009, net cost reimbursements from the Company to AHM under the A&R Agreement were \$116,507,954 and \$97,878,953, respectively. For the pharmacy rebate services, the Company is obligated to pay AHM a fee equivalent to a percentage of the rebates that the Company earns. The Company was charged \$46,131,565 and \$43,223,460 for these pharmacy rebate services for 2010 and 2009, respectively, under the A&R Agreement. In addition, the Company earned pharmaceutical rebates of \$341,039,246 and \$293,929,083 for fully insured plans, which were recorded as a reduction of disability benefits and benefits under accident and health contracts, in 2010 and 2009, respectively. The Company also earned pharmaceutical rebates of \$120,276,402 and \$138,305,510 for uninsured plans that are in excess of the amounts to be remitted to uninsured plans, which were recorded as a reduction of general insurance expenses, in 2010 and 2009, respectively.
3. Aetna Health of California Inc. provides administrative and other services to the Company, and payments for these services were \$26,821,069 and \$26,572,363 for the years 2010 and 2009, respectively.
4. Shareholder Agreement and Consent between the Company and Aetna dated November 1, 2000. The agreement provides that the Company and Aetna agree on a procedure and method for declaration, determination of amount and payment of distributions, including dividends by the Company to Aetna. The agreement was approved by letter dated September 18, 2001 from the Connecticut Insurance Department.
5. Effective December 1, 2001, the Company entered into a subleasing arrangement whereby the Company subleases to its affiliate, Aetna Health Inc. (CT) ("AHICT"), and AHICT subleases to its affiliate, AHM, certain electronic data processing equipment located in Connecticut that is leased from IBM Credit LLC. This agreement was approved November 27, 2001 by the Connecticut Insurance Department. In 2010, the terms of the agreement were extended through November 30, 2010 and notification of such extension was provided to the Connecticut Insurance Department. In addition, effective December 1, 2004, the Company entered into a subleasing arrangement whereby the Company subleases to AHICT, and AHICT subleases to AHM, certain electronic data processing equipment located in Connecticut that is leased from Hewlett Packard Financial Services Company. This agreement was approved February 7, 2005 by the Connecticut Insurance Department. In 2010, the terms of the agreement were extended through November 30, 2010 and notification of such extension was provided to the Connecticut Insurance Department. In addition, effective January 1, 2010, the Company entered into a subleasing arrangement whereby the Company subleases to AHICT, certain equipment located in Connecticut that is leased from MacQuarie Equipment Finance, LLC. Payments for these subleases in 2010 and 2009 were \$48,320,658 and \$46,216,146, respectively, from AHM to AHICT and these same amounts were paid from AHICT to the Company.
6. On May 1, 2003, the Company entered into a Foreign Currency Hedging Agreement with Aetna, pursuant to which Aetna will be authorized to enter into foreign exchange arrangements or agreements on behalf of the Company. This agreement was approved by the Connecticut Insurance Department on August 11, 2003. Effective January 1, 2008, an amendment to the agreement was made and notification was provided to the Connecticut Insurance Department. Under this agreement, the Company did not make or receive any payments to or from Aetna in 2010 and made payments of \$89,121 in losses for 2009 to Aetna resulting from Aetna executing foreign currency arrangements on the Company's behalf.
7. Effective February 1, 2003, the Company and Aetna RX Home Delivery, LLC ("Pharmacy") entered into a mail order pharmacy national agreement in which Pharmacy contracted with the Company to provide pharmaceutical services on behalf of the Company and its affiliates. This agreement was approved by the Connecticut Insurance Department on March 14, 2003. Under this agreement, the Company pays Pharmacy for covered services rendered to members in accordance with a compensation schedule. Under this agreement, the Company paid Pharmacy \$290,838,750 and \$271,767,825 for the years 2010 and 2009, respectively, with respect to the Company's fully-insured members.
8. Effective January 1, 2004, the Company entered into an Amended and Restated Agency, Management and Delegated Claims Agreement (the "Amended Agreement") with the Aetna Student Health Agency, Inc. ("ASHAI") and Chickering Claims Administrators, Inc., a Massachusetts corporation ("CCAI"), both affiliates of the Company. The Amended Agreement replaces a similar agreement which was entered into prior to ASHAI and CCAI becoming wholly-owned subsidiaries of Aetna. Under the Amended Agreement, ASHAI and CCAI will provide the Company with certain administrative services related to student health business underwritten and issued and/or administered by the Company or by companies owned by or affiliated with the Company, including accounting and processing of premiums and claims administration. The Company pays each of ASHAI and CCAI an Annual Delegation Fee for such services pursuant to the Amended Agreement. The Amended Agreement was approved by the Connecticut Insurance Department on November 12, 2004. For 2010 and 2009, the Company was charged \$23,188,997 and \$23,656,080, respectively, for services provided by ASHAI and \$26,969,811 and \$27,513,050, respectively, for services provided by CCAI under the Amended Agreement.
9. Effective December 1, 2004, the Company entered into an agreement with Aetna Capital Management, LLC ("ACM") whereby the Company will pay ACM a fee in connection with investment advisory services that ACM will provide in connection with investments by the Company in Aetna Partners Diversified Fund, LLC. The intercompany agreement was approved by the Connecticut Insurance Department by letter dated November 23, 2004. The Company incurred \$1,495,200 and \$1,446,298 for the years 2010 and 2009, respectively, pursuant to this agreement.
10. Effective January 1, 2005, the Company entered into a Personnel Services and Expense Reimbursement Agreement (the "Personnel Services Agreement") with Aetna Health Insurance Company of New York ("AHIC-NY"). Under this Personnel Services Agreement, the Company will provide AHIC-NY with the personnel necessary to perform administrative services, including accounting, payment of claims, quality assessment and pharmacy benefit management services, related to AHIC-NY's commercial, Medicaid, Medicare and self-insured members. The Personnel Services Agreement obligates AHIC-NY to pay to the Company the Company's cost of providing such services as well as interest on outstanding administrative service balances. This Personnel Services Agreement was approved by the Connecticut Insurance

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Department on May 26, 2005 and the New York Insurance Department on April 5, 2005. For 2010 and 2009, the Company charged AHIC-NY \$306,440 and \$304,344, respectively, under the Personnel Services Agreement.

11. Effective January 1, 2005, the Company entered into an Amended and Restated Administrative Services Agreement (the "Amended Agreement") with Aetna Dental Inc., a New Jersey corporation ("ADI-NJ"). Under this Amended Agreement, the Company provides ADI-NJ with certain administrative services including accounting, cash management and processing of claims. The Amended Agreement obligates ADI-NJ to pay the Company a fee for such services, subject to an annual true-up mechanism as defined in the amended agreement, as well as interest on outstanding administrative service balances. This Amended Agreement was approved by the Connecticut Insurance Department on May 26, 2005. For 2010 and 2009, the Company's revenue, including prior contract year and current year estimated accrued true-ups, for providing these services to ADI-NJ was \$1,793,938 and \$1,488,539, respectively. Interest earned on amounts due from ADI-NJ related to the Amended Agreement was \$1,210 and \$2,231 in 2010 and 2009, respectively.
12. Effective January 6, 2005, the Company and Strategic Resource Company ("SRC") entered into two Administrative Services Agreements (the "SRC Agreements"), of which one was amended and restated effective January 1, 2006 to change language relative to SRC acting as a third party administrator in certain states. Under the SRC Agreements, SRC will provide the Company with certain administrative services and resources relating to the administration of certain insurance policies issued by Continental Assurance Company ("CAC") and Continental Casualty Company ("CCC") and coinsured 100% by the Company and for certain insurance policies issued directly by the Company. The SRC Agreements obligate the Company to pay SRC a fee for such services. Both of the original SRC Agreements were approved by the Connecticut Insurance Department on February 7, 2005. The amended and restated agreement effective January 1, 2006 was approved by the Connecticut Insurance Department on May 30, 2006. For 2010 and 2009, the Company incurred \$77,796,099 and \$80,192,964, respectively, in expenses pursuant to the SRC Agreements.
13. Effective January 1, 2005, the Company entered into an Administrative Services Agreement (the "Dental Agreement") with Aetna Dental Inc., a Texas corporation ("ADI-TX"). Under this Dental Agreement, the Company provides ADI-TX with certain administrative services including accounting, cash management and processing of claims for service areas other than North Carolina. The Dental Agreement obligates ADI-TX to pay the Company a fee for such services, subject to an annual true-up mechanism as defined in the agreement, as well as interest on outstanding administrative service balances. This Dental Agreement was approved by the Connecticut Insurance Department on July 15, 2005. For 2010 and 2009, the Company's revenue, including prior contract year and current year estimated accrued true-ups, for providing these services to ADI-TX was \$3,502,185 and \$5,270,523, respectively. Interest earned on amounts due from ADI-TX related to the Dental Agreement was \$1,875 and \$5,376 in 2010 and 2009, respectively.
14. Effective January 1, 2005, the Company and Aetna entered into an Expense Allocation Agreement (the "Expense Agreement") under which Aetna will allocate expenses to the Company for employee benefit plans in proportion to the members covered by the Company under health benefit plans. This Expense Agreement was approved by the Connecticut Insurance Department on November 3, 2005. For 2010 and 2009, the Company incurred \$167,056,740 and \$244,205,163, respectively, in expenses pursuant to the Expense Agreement. See Note 12 for details by plan.
15. Effective January 1, 2005, the Company entered into an Administrative Services Agreement (the "Agreement") with Aetna Health of the Carolinas Inc., a North Carolina company ("AHCI"), which replaces the Amended and Restated Administrative Services Agreement entered into between the Company and AHCI dated as of January 1, 2003. Under the Agreement, the Company will provide AHCI with administrative services, including accounting, payment of claims, quality assessment services and payment of agents' fees and commissions, related to AHCI's commercial, Medicare and self-insured members. The Agreement obligates AHCI to pay to the Company a fee for providing such services, subject to an annual true-up mechanism as defined in the agreement, as well as interest on outstanding administrative service balances. This Agreement was approved by the Connecticut Insurance Department on July 27, 2005. Effective March 31, 2010, AHCI merged with and into Aetna Health Inc., a Pennsylvania corporation ("AHI-PA") and AHI-PA assumed all of the rights and duties related to AHCI at the time. The Agreement was subsequently terminated on April 1, 2010. For the first three months of 2010, the Company's revenue, including prior contract year and current year estimated accrued true-ups, for providing the administrative services on behalf of AHI-PA under the Agreement was \$1,417,153. For 2009, the Company's revenue, including prior contract year and current year estimated accrued true-ups, for providing the administrative services on behalf of AHCI under the Agreement was \$6,318,449. Interest earned on amounts due from AHI-PA was \$442 in the first three months of 2010. Interest earned on amounts due from AHCI was \$5,096 in 2009.
16. Effective January 1, 2005, the Company, AHM and AHCI entered into a subcontract under which certain of the services and resources to be provided by the Company to AHCI under the Agreement will be subcontracted and provided by AHM. Under the subcontract, AHM's services and resources provided to the Company include certain accounting functions, payment of agents' fees and commissions and certain out of pocket corporate maintenance expenses. The subcontract obligates the Company to pay AHM for the services actually performed at AHM's cost of providing such services as well as interest on outstanding administrative service balances. This subcontract was approved by the Connecticut Insurance Department on July 27, 2005. See Note 15 for details regarding merger of AHCI with and into AHI-PA. As a result of this merger, the subcontract was subsequently terminated on April 1, 2010. For the first three months of 2010, the Company paid AHM \$6,607 in expenses pursuant to this subcontract. For 2009, the Company paid AHM \$6,745 in expenses pursuant to this subcontract.
17. Effective January 1, 2006, the Company entered into an agreement with ACM whereby the Company will pay ACM a fee in connection with investment advisory services that ACM will provide in connection with investments by the Company in Aetna Partners Diversified Fund (Cayman), Limited. A Form D Prior Notice of Transaction dated September 14, 2005 was filed with the Connecticut Insurance Department for this agreement. By letter dated October 11, 2005 the Connecticut Insurance Department determined the transaction to be in the ordinary course of business, therefore no approval is necessary. For 2010 and 2009, the Company incurred \$460,130 and \$331,280, respectively, in expenses pursuant to this agreement.
18. Effective January 1, 2006, the Company entered into an Administrative Services Agreement (the "North Carolina Dental Agreement") with ADI-TX. Under the North Carolina Dental Agreement, the Company provides ADI-TX with certain administrative services including accounting, cash management and processing of claims for the North Carolina service area. The North Carolina Dental Agreement obligates ADI-TX to pay the Company a fee for such services, subject to an annual true-up mechanism as defined in the agreement, as well as interest on outstanding administrative service balances. This North Carolina Dental Agreement was approved by the Connecticut Insurance Department on November 17, 2005. For 2010 and 2009, the Company's revenue, including prior contract year and current year estimated accrued true-ups, for providing these services to ADI-TX was \$416,913 and \$491,428, respectively. Interest earned on amounts due from ADI-TX related to the North Carolina Dental Agreement was \$223 and \$468 in 2010 and 2009, respectively.
19. Effective January 1, 2006, the Company entered into a Personnel Services and Expense Reimbursement Agreement (the "New York Personnel Services Agreement") with Aetna Health Inc., a New York corporation ("AHI-NY"). Under this New York Personnel Services Agreement, the Company will provide AHI-NY with the personnel necessary to perform administrative services, including accounting, payment of claims, quality assessment and pharmacy benefit management services, related to AHI-NY's commercial, Medicaid, Medicare and self-insured members. Effective September 1, 2008, the New York Personnel Services Agreement was amended to comply with certain requirements set forth in Medicare laws, rules and regulations that apply solely to the Company's performance of services related to its Medicare Advantage plans. The New York Personnel Services Agreement obligates AHI-NY to pay to the Company the Company's cost of providing such services as well as interest on outstanding administrative service balances. This New York Personnel Services Agreement was approved by the Connecticut Insurance Department on July 28, 2006 and the New York Insurance Department on June 28, 2006. The amendment was approved by the Connecticut Insurance Department on December 14, 2009 and the New York Insurance Department on May 12, 2010. For 2010 and 2009, the Company charged AHI-NY \$26,639,207 and \$26,625,424, respectively, under the New York Personnel Services Agreement.
20. Effective November 18, 2005, the Company entered into a subleasing arrangement whereby the Company subleases to its affiliate, CCAI, certain field office space located in Bedford, New Hampshire. In addition, effective August 1, 2006, the Company entered into a subleasing arrangement whereby the Company subleases to its affiliate, CCAI, certain field office space located in San Diego, California. The Company notified the Connecticut Insurance Department prior to entering into these subleasing arrangements. For 2010 and 2009, CCAI paid the Company \$305,798 for both years for these subleases.

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21. Effective January 1, 2006, the Company and Aetna Behavioral Health ("ABH") entered into an Administrative Services Agreement (the "Behavioral Health Agreement") whereby the Company will provide ABH with certain administrative services including accounting, cash management and processing of claims for the employee assistance services style products sold by ABH. Under the Behavioral Health Agreement, the Company may assess ABH the Company's cost of providing such services as well as interest on outstanding administrative service balances. This Agreement was approved by the Connecticut Insurance Department on December 28, 2006. For 2010 and 2009, the Company assessed ABH \$4,870,473 and \$4,995,979, respectively, under the Behavioral Health Agreement.
22. Effective January 1, 2007, the Company entered into a Personnel Services and Expense Reimbursement Agreement (the "Specialty Pharmacy Personnel Services Agreement") with Aetna Specialty Pharmacy, LLC ("ASRX"). Under this Specialty Pharmacy Personnel Services Agreement, ASRX will make available to the Company the services of certain personnel. The Specialty Pharmacy Personnel Services Agreement obligates the Company to pay to ASRX fees equal to ASRX's cost of providing such services as well as interest on outstanding fee balances. The Specialty Pharmacy Personnel Services Agreement was entered into in the ordinary course of business and did not require approval by the Connecticut Insurance Department. For 2010 and 2009, the Company paid ASRX \$40,776,553 and \$45,545,605, respectively, under the Specialty Pharmacy Personnel Services Agreement.
23. Effective December 1, 2007, the Company entered into an Administrative Services and Solicitation Agreement (the "California Dental Agreement") with Aetna Dental of California Inc. ("ADI-CA"). Under the California Dental Agreement, the Company provides ADI-CA with certain administrative and management services (collectively, the "Administrative Services") including accounting, cash management and ministerial services related to the administration of claims payment. In addition, the Company also provides solicitation services including marketing, account management of all third party brokers and providers and certain contract maintenance and management services. The California Dental Agreement obligates ADI-CA to pay the Company a fee for the Administrative Services subject to an annual true-up mechanism as adjusted from time to time as defined in the agreement, as well as interest on outstanding administrative service balances. The California Dental Agreement was approved by the Connecticut Insurance Department on November 19, 2007. For 2010 and 2009, the Company's revenue for providing these services to ADI-CA, including prior contract year and current year estimated accrued true-ups, was \$3,666,625 and \$4,915,974, respectively. Interest earned on amounts due from ADI-CA related to the California Dental Agreement was \$2,423 and \$7,934 for 2010 and 2009, respectively.
24. Effective April 1, 2008, the Company and Aetna Behavioral Health of Delaware, LLC ("ABHD") entered into a Personnel Services Agreement ("the Delaware Agreement"). Under the Delaware Agreement, ABHD will provide the Company with ABHD personnel to perform services including without limitation quality assessment, utilization review, disease management, patient management and case management. The Delaware agreement obligates the Company to pay ABHD the cost of providing such services as well as interest on outstanding administrative service balances. The Delaware Agreement was approved by the Connecticut Insurance Department on April 3, 2008. For 2010 and 2009, the Company incurred \$12,987,935 and \$13,322,617, respectively, in expenses pursuant to the Delaware Personnel Service Agreement.
25. Effective September 28, 2008, the Company and Schaller Anderson, LLC (formerly Schaller Anderson of Arizona, LLC) ("Schaller") entered into a subcontract (the "Schaller Subcontract"). Under the Schaller Subcontract, Schaller will provide Parkland Community Health Plan, Inc. with certain administrative services including accounting, cash management and processing of claims on behalf of the Company. The Schaller Subcontract obligates the Company to pay Schaller the cost of providing such services as well as interest on outstanding administrative service balances. The Schaller Subcontract was approved by the Connecticut Insurance Department on October 1, 2008. For 2010 and 2009, the Company incurred \$3,876,514 and \$6,501,767, respectively, in expenses pursuant to the Schaller Subcontract.
26. Effective June 29, 2007, the Company and Delaware Physicians Care, Incorporated ("DPCI") entered into a Delegated Patient Management Agreement (the "DPCI Agreement") prior to DPCI becoming a wholly owned-owned subsidiary of Aetna in July, 2007. Under the DPCI Agreement, DPCI will provide the Company with patient management services for The State Employee Health Care Program (the "Employee Program") of the State of Delaware Office of Management and Budget. The DPCI Agreement obligates the Company to pay DPCI a fee for the patient management services equal to a per employee per month cost on employees enrolled in the Employee Program who are residing in the State of Delaware. For the first three months of 2010, the Company incurred \$9,709 in expenses pursuant to the DPCI Agreement. For 2009, the Company incurred \$104,120 in expenses pursuant to the DPCI Agreement. This agreement was terminated on April 1, 2010 and was replaced with a similar agreement between the Company and Schaller (the "Schaller Delaware Agreement"), which was subsequently terminated on September 30, 2010. For the six months from April 1, 2010 to September 30, 2010, the Company incurred \$62,089 in expenses pursuant to the Schaller Delaware Agreement.
27. Effective September 1, 2009, the Company entered into an Administrative Services Agreement (the "AHICE Agreement") with Aetna Health Insurance Company of Europe Limited, a corporation formed in the Republic of Ireland ("AHICE"). Under the AHICE Agreement, the Company provides AHICE with certain administrative services including accounting, cash management and processing of claims. The AHICE Agreement obligates AHICE to pay the Company a fee for such services as well as interest on outstanding administrative service balances. This AHICE Agreement was approved by the Connecticut Insurance Department on July 1, 2008 and by the Republic of Ireland during 2009. For 2010 and 2009, the Company's revenue for providing these services to AHICE was \$854,776 and \$203,564, respectively.
28. Effective January 1, 2010, the Company and Schaller entered into a subcontract (the "Second Schaller Subcontract"). Under the second Schaller Subcontract, Schaller provides Aetna Health Inc., a Texas corporation, certain administrative services including accounting and processing of claims on behalf of the Company. The Second Schaller Subcontract obligates the Company to pay Schaller the cost of providing such services as well as interest on outstanding administrative service balances. The Second Schaller Subcontract was approved by the Connecticut Insurance Department on December 29, 2009. For 2010, the Company incurred \$3,387,872 in expenses pursuant to the Second Schaller Subcontract.
29. Effective January 1, 2010, the Company entered into an Administrative Services Agreement (the "AI Agreement") with Aetna International, Inc., ("AI") a Connecticut Corporation. Under the AI Agreement, the Company provides AI with certain administrative services including accounting, cash management and processing of claims. The AI Agreement obligates AI to pay the Company the cost for such services as well as interest on outstanding administrative service balances. This AI Agreement was approved by the Connecticut Insurance Department on December 29, 2009. For 2010, the Company incurred \$5,120,449 in expenses relating to the AI agreement.
30. Effective November 1, 2010, the Company entered into an Administrative Services Agreement (the "Shanghai Agreement") with Aetna (Shanghai) Enterprises Services Co., Ltd., a company incorporated in the People's Republic of China ("Shanghai"). Under the Shanghai Agreement, Shanghai will provide the Company with administrative services including accounting, bank reconciliations and vendor payments. The Shanghai Agreement obligates the Company to pay Shanghai a fee for such services based on Shanghai's actual service costs and the fee is subject to a quarterly adjustment mechanism. The Shanghai Agreement was approved by the Connecticut Insurance Department on November 10, 2010. For 2010, the Company incurred \$1,546 in expenses pursuant to the Shanghai Agreement.
31. Effective December 3, 2010, the Company entered into an Administrative Services Agreement (the "HDMS Agreement") with Health Data & Management Solutions, Inc., a Delaware corporation ("HDMS"). Under the HDMS agreement, HDMS will provide the Company with certain administrative services including implementation and data processing and submission services related to the Company's Early Retiree Reinsurance Program ("ERRP"). The HDMS Agreement obligates the Company to pay HDMS a fee for such services performed on behalf the Company's ERRP customers. The HDMS Agreement was approved by the Connecticut Insurance Department on December 3, 2010. For 2010, the Company did not pay any fees to HDMS under the HDMS Agreement as no services were rendered.
32. Effective December 21, 2010, the Company entered into an Administrative Services Agreement (the "Health Re Agreement") with Health Re, Inc., a special purpose financial captive insurance company incorporated under the laws of the State of Vermont ("Health Re"). Under the Health Re Agreement, the Company will provide Health Re with certain administrative services including accounting, payment of claims and benefits incurred under the Quota Share Reinsurance Agreement, dated December 21, 2010, by and between Health Re and the Company and also payment of premiums under the Excess of Loss Reinsurance Agreement, dated as of December 21, 2010, by and between Health Re and Vitality Re Limited. The Health Re Agreement obligates Health Re to pay the Company a flat fee for such services. The Health Re Agreement was approved by the Connecticut Insurance Department on November 23, 2010. For 2010, the Company did not receive any fees from Health Re under the Health Re Agreement as no services were rendered.